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OGC HAS REVIEWED.

29 August 1951

MEMORANDUM FOR: DEPUTY DIRECTOR (ADMINISTRATION)
FROM: Acting General Counsel
SUBJECT: A Program for the Establishment of A Career Corps for the Central Intelligence Agency

1. There are submitted herewith comments of this office on the above subject. These comments deal with the legal aspects of Appendix Q (pp. 69-71) which is concerned with career benefits and security. Our comments below are keyed to specific paragraph numbers.

I. The comment that in order to grant appropriate CIA personnel time and one-half service credit against retirement would require the Agency to consummate an agreement with the Civil Service Commission is not accurate at this time. At one point it had been believed possible that existing legislation applicable to investigative and law enforcement personnel of various agencies, such as Treasury and FBI, could be interpreted to cover certain classes of employees of CIA during periods of employment under specified conditions. This office had indicated such a position probably could not be supported on purely legal grounds. Subsequently, Mr. Warren Irms, Chief, Retirement Division, Civil Service Commission, has specifically advised the Acting Personnel Director at the time, [REDACTED], and the undersigned that legislation would be required in order to apply the benefits of the law in question to CIA employees.

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V. At one point serious consideration was given to include in appropriate CIA legislation (P. L. 110 as passed) the authority for the Director to apply certain medical and disability benefits to dependents of CIA employees. Such language was included in the proposed bill. In discussions with the Bureau of the Budget prior to debate on the bill in the Congress, the provision relating to dependents was deleted on the grounds that no precedent existed for any

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such benefits. In view of that history it is believed that any action on this matter should be scrutinized carefully, whether the action be by incorporation in proposed legislation or by the Director approving such benefits in specific cases on his broad authorities.

VI. It is not entirely clear what action is desired in the statement that physical disability benefits conforming to Veterans' Administration standards should be extended to Agency employees forced to retire because of physical disability suffered during the period of employment. Generally the monetary benefits available in disability cases are somewhat more liberal under the Federal Employees' Compensation Act where it can be established that disability was incurred while in performance of duties. In some instances there may be involved an election between the benefits under the Compensation Act and those under the Civil Service Retirement Act. If the action indicated is intended to mean a relaxation of standards under which benefits can be granted, there would be for consideration the steadily expanding scope of coverage by virtue of interpretation of the Federal Employees' Compensation Act. The newest version of this Act was approved in October 1949 and affords the Bureau far more latitude in determining those cases which could be considered as illness or injury incurred incident to service. It is believed that over a period of years increasingly more liberal interpretations of that Act will be pronounced by the Bureau.

2. The above comments are furnished to indicate the necessity of moving very carefully in the field of securing greater statutory benefits to CIA employees. In some instances legislation could possibly result in undesirable restrictions being placed on CIA.

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